

Primary Care Cures

Episode #26 – Dr. Joe Jarvis

Ron Barshop: You know, most problems in healthcare are fixed already. Primary care is already cured. On the fringes, reversing burnout, physician shortages, bad business models, forced buyouts, factory medicine, high deductible insurance that squeezes the docs and is totally inaccessible to most of the employees. The big squeeze is always on for docs. It's the acceleration of cost and the deceleration of reimbursements. I want you to meet those on this show that are making a difference.

Ron Barshop: With us Ron Barshop, CEO of Beacon Clinics, that's me.

Ron Barshop: Healthcare in America by the second. Every second, there are 951 healthcare transactions in America. They run about \$8 in administrative costs per transaction, and 80% of all hospital bills have errors. Every second, there may be five radiological misreads. [inaudible 00:01:02] Health has a 40% error rate estimate, and there's 400 million diagnostic reads last data set I had. Every 12 seconds a medical error occurs, and every 75 seconds, a death results. Medical errors are now the third leading cause of death after heart and cancer in America.

Ron Barshop: Every 13 seconds, a useless medical test is ordered. The reasons are legal CYA, and professional and patient courtesy, and all the incentives are in the wrong place. Every 40 seconds, HHS, Health and Human Services, will spend a million dollars on Medicare and Medicaid. It runs out of money in eight years. Every minute, seven new baby boomers enroll in Medicare, and this will happen every minute for eight more years. Every minute of doc-patient face time generates five minutes of staff time and paperwork.

Ron Barshop: There are 16 admins, support staff and bureaucrats for every doctor in America. 65% of those docs are depressed or burnt out today. Every two minutes, three Americans file bankruptcy for medical bills. Every five minutes, \$6,231 is spent by the big healthcare lobby, as according to the FEC, and you can double that number at least, if you include the dark money that's not reported to the Federal Election Commission. Every day, up to 84% of patients are not adherent to their medical scripts, and only half of those patients are seeing their referral, they're being referred to the specialist in other words. They're not going.

Ron Barshop: So happiness is knowing that most of these are being solved on the fringes and that's exactly what this show's about. And you're gonna get to meet the people fixing this. And especially we have a guest today who has had a prescription for several decades that is written a book, Dr. Joe Jarvis is the author of the book, *The Purple World: Healing the Harm in American Health Care*. He's a physician, he's a public health consultant, and he led the state of Nevada as its Health Commissioner. Well, Dr. Jarvis, welcome to the show.

Joe Jarvis: Thank you very much. Interesting set of statistics.

Ron Barshop: It's kind of jaw dropping isn't it?

Joe Jarvis: It is.

Ron Barshop: Well, listen, you're such an interesting guest, you're much more interesting than these statistics, because you're a conservative who's a single payer care proponent. And you've been trying literally for almost three decades, everything possible to get this fix in place. So in exasperation you decided to write a book, huh?

Joe Jarvis: That's right. I couldn't think of anything else to try.

Ron Barshop: You had run for Congress ... You had run for the legislature, I'm sorry, in your state, correct?

Joe Jarvis: That's right. I ran for the Utah legislature two times.

Ron Barshop: Okay. And you were probably running against somebody who was very well financed by big healthcare.

Joe Jarvis: Yes, that's always the case. The healthcare corporations, what I call the medical industrial complex, are very generous with our money trying to keep their proponents in office.

Ron Barshop: Well the numbers I saw that were listed in 2018 is 556 million for ... You can throw in big insurance, big hospitals, big middle, which are the brokers and also the PBMs which are actually the largest of the large. You can throw in the big hospitals, all of them together ... Medical devices, all of them together 556 million dollars, and the next largest lobbies, the next four largest lobbies, aren't even close to that. And if you look over [inaudible 00:04:28] the numbers are still the same. We're talking 20 billion over 20 years, and then again, the next largest lobbies, all four combined, don't even come close to that.

Joe Jarvis: Yeah, I know. It's ... The medical industrial complex owns Congress.

Ron Barshop: Yeah. So we're not going to get a solution out of congress. So let's find some areas where we agree, because I think we agree on a whole lot here, Dr. Jarvis. So I'm going to give you some statements and you tell me if you agree with them or not and then give me your commentary, if you can. So my first observation from being in this world for a decade is healthcare is the single greatest threat to our economy. Do you agree?

Joe Jarvis: I do. It's one of the reasons why as a conservative I was attracted to the single payer health system reform model. We are forcing our government into incredible debt and it's all healthcare spending. If you look at the data, the spending on all other items, defense, the state department, all the other things, it's stable over the next projected several decades, relative to the projected funding. It's Medicare, Medicaid, and other federal programs that are actually putting our federal government now trillions of dollars into debt. That, I think, is a threat to our economy.

Joe Jarvis: But it's not just that. Our employers, the businesses in our country, are forced to pay a large amount for healthcare. That is not true of their international competitors. Healthcare costs a lot less in other First World nations. So we have something like \$1,200 extra healthcare costs per car manufactured in the U.S. relative to cars manufactured in Germany and Japan, for example. We can't compete like that. Over the long haul, our healthcare costs are going to drive, not just our government, but our businesses into the ground. And that's not even speaking of our family finances.

Ron Barshop: Yeah, sorry to interrupt. If you were to put the Secretary of Health and Human Services on one side of the Cabinet table, and all of the rest of the members of the Cabinet including Defense, including Social Security, on the other side of the table, they outspend them all combined.

Joe Jarvis: Yeah. Yeah, it's a huge amount of money. I mean, we're well into three trillion plus per year in American healthcare. Most of that is tax money.

Ron Barshop: All right, my next statement I'm going to make, see if you agree with it, is healthcare is the single greatest threat to our military dominance.

Joe Jarvis: I agree with that, for several reasons. One is the one we just talked about, the fiscal threat. We're pushing ourselves into Second World status. We will not be able to support the defense systems that we've grown up being used to in this country if we continue to put ourselves increasingly in debt. What can't happen, won't happen. And a country that has tens of trillions of dollars of debt, won't be able to support that.

Joe Jarvis: But in addition to that, healthcare problems arise globally, new threats, especially infectious disease threats, all the time. In order to respond to

those we have to have a functioning healthcare delivery system and public health systems. We're not going to be able to sustain the funding for these. We'll end up succumbing to the very illnesses that we should be able to handle.

Ron Barshop: So it's ostensible in my lifetime ... I'm 60 years old yesterday ... It's ostensible that we're going to have China dominate the Straits of Tiran, the Suez Canal, the Straits of Hormuz, all the key choke points in the oceans will be dominated by the Chinese Navy in my lifetime.

Joe Jarvis: That's because they'll fill a vacuum. We won't be able to project ... We won't have the big stick that Teddy Roosevelt used to talk about.

Ron Barshop: That we've had for over 100 years. Let's talk about a third statement I want to make here. I believe the middle class are currently in a 20 year recession due to healthcare. A recession's defined as flat or down.

Joe Jarvis: Yes, I agree with that. Income for the working population in the United States has been flat or not keeping up with inflation for most of my adult life, and it is all healthcare costs. Employers increasingly spend what should be wage increases on healthcare costs and families are still left with deductibles, copayments, coinsurance, which is killing their family budgets and they're not able to keep up. And healthcare costs ... nonetheless, despite all that ... healthcare costs keep rising in double digit inflation year after year after year. [crosstalk 00:09:07]

Ron Barshop: Yeah, the current generation acts ... The generation right behind the boomers, I've seen very solid academic studies in books that say they're going to spend up to 50% of their total lifetime income on health and wellness.

Joe Jarvis: Yeah, it's easily the most expensive part of the budget anymore. Housing is no longer as expensive as healthcare.

Ron Barshop: Okay, my next statement is that state and local and county budgets are pressured by healthcare more so than any other factor, which affects obviously the school budgets. They're going to have to cut things like school spending because of the healthcare spend of these government agencies. Is that something you believe?

Joe Jarvis: That's also true. States currently raise taxes, I think it's 700 billion dollars a year, are state taxes devoted exclusively to health programs like the state part of Medicaid and CHIP. In addition to that, states and local agencies like schools and sewer districts, etc., they all pay their employees health benefits. In most states around the country, the best health benefits that are still out there are public employees. In rural parts of this country, where

almost nobody has health insurance, the only ones who still do are public employees. Those health benefits are killing tax base all over in local governments and state governments. It's just impossible to keep up with those costs.

Ron Barshop: So Dr. Jarvis, we can do a whole show on my next statement. I'm just going to take a few words out of the same sentence. Employers' budgets are pressured by healthcare more so than any other factor.

Joe Jarvis: Oh, I agree. Healthcare costs are the double digit inflation part of any employer's budget, year in and year out, and that's been true for decades. They cannot ... Nothing compares to that cost, for the actual labor instead of the healthcare part of the labor, costs for the materials needed for whatever they construct and put together and sell on the market, costs for shipping, etc., nothing is going up like healthcare costs are. It's the one uncontrollable part of the budget, and I don't understand why our employers in the United States are not embracing using the already raised taxes, which are now approaching three trillion dollars per year in the United States, and using those efficiently to pay for healthcare and offloading that from the employers' shoulders onto the public's.

Ron Barshop: You may disagree with my timeline, but I'm just going to throw a number out there. I believe that our federal budget will hit a wall in three to ten years as federal insurance and entitlements like Social Security grow the pie share, overwhelmingly. And our interest payments are just going to swarm the rest of the budget.

Joe Jarvis: Well, I think you're right about essentially what that time frame is. I'll quote former Secretary of Health and Human Services, Mike Leavitt, who has said, "There is no place on the international leaderboard for a nation that spends 25% of its Gross Domestic Product on healthcare." In the United States, we're currently approaching 20% of Gross Domestic Product on healthcare. We're the only nation in that neighborhood, by far. So we're the only one that's under threat of what Secretary Leavitt is talking about, which is a brick wall, because when you're spending 25% of your Gross Domestic Product on anything, that's 25% less that can be spent on everything else.

Joe Jarvis: And of course we have to do more than provide healthcare for ourselves. We have to feed ourselves and house ourselves and defend ourselves, and teach our children in schools, etc. That's what he's talking about. You have an opportunity cost when you spend too much on healthcare. And it's killing us. I don't know when that brick wall is hitting us, but he thinks it's when we reach 25% GDP. If he's right about that, it's within the next decade.

Ron Barshop: All right. Scary stuff. We got a force we've got to [inaudible 00:13:12] through. I've got a couple more questions here. I'm going to make the statement that the cost of healthcare is a greater threat to our way of life than any ... Fill in the blank, you can say Russia, you can say China, you can say extremists, you can say the Kardashians. But the cost of healthcare is the greatest threat to our way of life of anything that's pending out there.

Joe Jarvis: I think it is, and I would say climate change is the current boogeyman that everybody's really worried about because it's supposed to be so catastrophic in the near term. I've had somebody argue with me recently when I spoke about health system reform and they said, "Well, but you're forgetting we have to work on climate change first." And my answer back was today, right now, 400,000 Americans are prematurely dying because of preventable injury while they were hospitalized. That's today. That's already a catastrophe. That is the biggest threat to, not just our budgets, but to our actual lives. The most dangerous thing an American does in his or her life is be admitted to an American hospital. That can't stand. That's the problem, right there.

Ron Barshop: All right. So I've got one last thing, and this is the most depressing of all my statements because I don't know the way out of this one and I'm hoping you have a solution. I'm hoping somebody out there, you know, Superman has a solution to this next one. I don't believe that any candidate can get elected opposing big healthcare today. What is your prescription to repair and flatten the healthcare system so that it does have a chance from the ground up? Because I believe your book ... Purple is referring to both teams playing for this cause, that it's not going to come from D.C., it's not going to come from your state capitol in Utah, or mine in Texas. It's going to have to come from the people.

Ron Barshop: So again, let me restate that. No candidate can get elected in America opposing big healthcare.

Joe Jarvis: Well that has been true in the last 50 years. If it continues to be true, if you're right, if your dire prediction is right on into the next couple of decades, we are going to end up in Second World status. Second class status around the world. My hope, and the use of the term "Purple World", is in part to remind people that we should be voting purple, which is not giving ourselves over automatically to a red or a blue candidate, but choosing the candidate that actually has something to offer to us the people of the United States. I'm hoping for enough people who are willing to do that to vote for the candidates, in my opinion, primarily who are going to offer us a solution to our health problems, rather than their party affiliation or anything else.

Joe Jarvis: There are some candidates out there who I feel, in terms of the Presidential race, who would at least make a step forward on this. I do believe that it's possible to have candidates for Congress, and there are some around the country, who would dedicate themselves to what's right for the people and not what's right for the medical industrial complex.

Joe Jarvis: So it's not out of the range of possibility, it's just it hasn't happened in recent history.

Ron Barshop: You know, even if your favorite candidate for President won ... Let's just throw in Howard Schultz, he seems to have a pretty cogent plan, he's in the middle. He doesn't want to destroy everything but he also wants to take it down and fix it. But if you took a candidate like that, he has no chance. So even if he got elected, or name your favorite candidate, gets elected, he's got to work with a Congress that is completely bought, and he's got to work with a Senate that's completely bought. He cannot get anything through with Presidential Executive Orders by itself, can he?

Joe Jarvis: No, you're right. It takes Congress. My favorite approach is to have Congress pass what I refer to as the State-Based Universal Healthcare Act. That would free up states from federal regulation and other barriers from the federal government to do health system reform right. Which I believe is the way that ... The states are the place for health policy according to what I understand is the case in the Constitution as it now stands. I think that has a better chance of passing than Medicare For All. Which, Medicare For All, if it's an improved Medicare, is better than the status quo.

Joe Jarvis: And so candidates who I believe are strongly in favor and would fight for Medicare For All, I can support them. I can't support people who are totally given over to an alternative, which is status quo stuff. Like Obamacare. Obamacare is status quo. I don't support that.

Ron Barshop: Okay. So let's talk for a second about the real issue here, is that there is no real ... Well, certainly on the Democratic side there are candidates that are talking about Medicare For All. But zero of them have a chance of getting it through by themselves. So even, again, if your favorite him or her gets into the Oval Office, they can't alone make this happen. They can't by force of the power of the office, make this big change, because ... Have you been watching the ads in the so-called Press that's talking about what happens to your economy if Medicare For All goes through by this association big healthcare put together? Are you watching these articles?

Joe Jarvis: Yeah, I know, they show up everywhere. Sometimes they write articles that look like it's real news but of course it's not. It's their version of reality. I agree, they've got a lot of money and they're using it well. It's our

money, it's money that we're taxed for and they're taking and using it against us. It's overwhelming. But ... And you're right, you're also correct that the President can't do this by Executive Order. There has to be an act of Congress.

Joe Jarvis: I don't think Medicare For All will ever pass. But I do think the state-based universal healthcare has a chance, and I'll tell you why. I've heard very conservative members of Congress outright support it, because their belief is, states are the place where health policy should happen, and if a state wants to do this, they should be allowed to do it. For that reason only, not because they support the right thing with healthcare reform, they support state policy. So I think we can collect enough people from both sides of the aisle to support state-based reform, and there are states where this is already right on the verge of passing their local legislature.

Ron Barshop: Dr. Jarvis, again, I'd hate to be all negative on this idea of yours. Because here's what I've seen happen, state to state. In Ohio for example, they had a wonderful transparency initiative. Literally 100% of the legislature voted for it, because it played well back into the Town Halls. But Governor Kasich, our Republican governor, in his last term, did not veto it, did not even sign it. Didn't even call it up. Because I think he gave them political cover to say, "You can get this popular thing published in your newsletter, but I'm not going to sign it."

Ron Barshop: So healthcare had the [inaudible 00:20:04] vote the governor's signature, and they didn't try to override him because he didn't even veto it. It's a game.

Joe Jarvis: Well, that sounds like a pocket veto. He didn't sign it.

Ron Barshop: Yeah, exactly. That's the game they play. So even if you get a state right on the verge of something exciting happening, I'm concerned that a governor that is in the pocket, can't get ... And maybe he's not up for re-election, but he sure owes a lot to big healthcare. So Lamar Alexander has a committee right now and he's talking about transparency and surprise bills. Lamar Alexander's third biggest contributor is in his hometown, Nashville, guess who? HCA.

Joe Jarvis: Yeah. Yeah, I agree, this is not an easy political lift. That's always been the problem. Coming up with a good health policy that makes sense and actually takes care of patients. That's actually not such a hard intellectual exercise. It's the political change, it's the heavy lift. That's what's really the problem. It's what I spent 30 years on. You're not telling me anything that I don't understand. This is difficult.

Joe Jarvis: But you know, I think what's absolutely true of Americans is as the crisis approaches more and more of them begin to understand what the stakes are, and more and more of them begin to actually change and do the right thing. "Americans will always do the right thing after they've tried every other alternative." That's Winston Churchill's quote about Americans. I think we're at the point where we don't do the right thing, our nation goes down the tubes. And I remain optimistic ... Because the status quo can't stand. It's going to fall apart. There's just too much money going into it, too much waste, too many lives have been lost, it cannot continue the way it is. Americans will do the right thing when push comes to shove. That's my optimistic side saying we have to get to a crisis, we're getting there, it's going to happen. We'll make the change we have to make.

Ron Barshop: All right. Well let's get ... I hate, again, railing against something that just seems so hopeless, but I really like the Winston Churchill quote. So let's talk about, in your public policy lifetime, you've been around for almost three decades. When did you see big pharma and big insurance and big hospitals and big devices cross the line, focusing on profit over saving lives? Was there a year, like '82, and that's the year you noticed things were shifting?

Joe Jarvis: Well for me personally, it was the moment when I stood in the most profitable hospital in the United States at the time. That was in Las Vegas. And asked the CEO of that hospital why it was that he had not made an effort to try to apply for the lead trauma center in Las Vegas. His hospital was clearly the best at delivering trauma care, there was no doubt about that.

Joe Jarvis: We had just gone through a process that the state legislature required us to do at the health division, to identify what represents good trauma care, and we came up with a request for proposal process where we invited hospitals to apply so they could be the lead trauma center, and lead the cause of how to treat trauma in the area. They didn't apply. And his answer to me was, "Because I'm not in the business of taking care of patients, I'm in the business of making as much money as possible. And your request for proposals requires us to take all trauma patients regardless of ability to pay, and I can't make enough profits by doing that."

Joe Jarvis: That's the moment when I realized that that's really the way things were playing in the hospital industry, that's when I crossed over and said, "For-profit healthcare is killing us." They're interested in making sales, they're not interested in taking care of people.

Ron Barshop: Let me ask you a public policy question, because I want you to put your hat on for that. I believe, and correct me if I'm wrong, this measles outbreak has a lot to do with these high deductible coverages that people

can't even afford to access their care anymore. Over 52% don't have the scratch to put together a \$1,350 deductible which is the average today.

Joe Jarvis: Yeah. Yeah, so if you've got a ... You're right, what happens with measles is there's a very infectious disease here, it's a virus. 90 plus percent of those who are vulnerable to it who get exposed become ill. The key thing is finding the measles patient early in the course and getting them isolated so they don't represent a risk to all the vulnerable people out there. And if they are unable to afford a visit to a doctor, they're afraid of the cost, they wait too long or they don't go at all.

Joe Jarvis: And then they're carrying their child around, who's infectious to other people before they even show the rash. And they're not even aware of how they're distributing it. Literally all you have to do, if you're susceptible to measles, is walk through the same room as somebody who's had measles has walked through just recently, and you can get enough exposure to the virus for that. If you're not getting pediatric care that you need because you don't have the money for it, yes, exactly, that's what's happening.

Ron Barshop: Okay, so let's get into your specific proposal. Because I guess right now there's not a website I can go to where I can vote for this candidate in Texas or that candidate in Utah, based on some kind of a screen that you set up that is, what you call it, I guess a purple candidate. Are there actually organizations to help us find these candidates?

Joe Jarvis: The organization that I rely on the most for identifying congressional candidates who would make the right decisions in Congress, that's the National Nurses' Union. They are open to both Medicare For All as a method of single payer reform, but also state-based single payer reform. And they carefully monitor congressional races all over the country. So that's the website I'd go to.

Ron Barshop: Terrific. Let me ask you again, your proposal ... And I don't know if it gets into some of these ideas, but ... So I may be over asking or over expecting here, but you and I, I think can both agree that there's perverse incentives that require over ordering of tests. And it's what I mentioned in my opening. So does your proposal address that issue? We're talking about over 800 billion dollars of unnecessary tests that are just silly. I mean the doctor even knows they're silly when they're ordering them.

Joe Jarvis: Yeah, it's not just tests. It's overdoing all kinds of interventions. Clinically inappropriate care is a leading cause of what I call quality waste in the United States healthcare system. Quality waste is the waste that occurs when poor quality care is delivered and the patient suffers because of it. One of those categories, and there are three major categories, is clinically inappropriate care.

Joe Jarvis: Defensive medicine is an example of clinically inappropriate care. It's the execution of what I just said, which is the system would rather make a sale than actually care for a patient. So sometimes somebody presents to a doctor who is a back surgeon, and they have back pain, and the doctor's almost automatic response is, "Well I can operate", without thinking whether the operation actually stands a chance of clinically improving the patient's condition. We have inappropriate care of all kinds delivered all over this country, and it's not just lab tests.

Ron Barshop: Well, so does your proposal, your specific ideas, do they address how that flattens out or how that goes away?

Joe Jarvis: Yes, in terms of the defensive medicine, one thing that I'm offering up is, I commonly work in the Workers' Compensation system, helping the Workers' Comp judges with difficult cases, where there are questions about whether the person's illness was caused by a workplace injury or an accident or not. So I'm very familiar with the administrative law system that adjudicates these cases. It's very, very significantly less expensive and much more efficient than tort cases, you know, injury cases, that are done in traditional courtrooms in the United States.

Joe Jarvis: So I'm proposing in Utah, state based single payer reform, that there be a commission that identifies first of all what the health benefit is. That would exclude some clinically inappropriate interventions that are common in the United States, so that's one way we are getting rid of clinically inappropriate care. And then that they will adjudicate any claim against the system in an administrative law setting, very similar to Workers' Comp.

Joe Jarvis: So you don't lose the right to make a claim and have it adjudicated, but we don't through all the machinations of malpractice cases that are tort cases in the traditional court. It's much less expensive. Doctors will feel backed up by the system and be less likely to be ordering inappropriate tests just for defensive medicine purposes.

Ron Barshop: All right. So I believe that the AMA got lost in the shuffle when the lobbies got together and decided who's going to take power. The doctors literally have no power in this big healthcare game. All the rolls in the dice are rigged, they're set by the other players, but the AMA really has run out of runway a long time ago. So burnout is what I believe is not caused by EHR pressures and the other usual things that are rated, I think it's caused by a lousy business model.

Ron Barshop: I actually have a scoring system that's been around for 50 years and you can score zero to 12 for any business model out there. And primary care gets a one. When it shifts to direct primary care it gets about a four or five,

and when it's direct primary care with ancillaries, it shifts up to a six or seven, out of 12. It's still not great, but it's better than a one. So if your plan was put in place, say, what happens to burnout?

Joe Jarvis: Well, what I'm proposing is that a payer be established in the state of Utah, which I call a cooperative. Which uses tax funding, which already is enough. We don't need to raise taxes for this, just already established tax revenues for the state of Utah, to pay for all medically necessary care, as defined by the commission that I just referred to. And that physicians simply be allowed to bill within that context, and be paid without having to fight with an insurance company about preexisting conditions, or whether or not the patient has been approved for this or that. All the paperwork drops off, it's a very simple billing process, and your job is to take care of the patient.

Joe Jarvis: That, I think, is the reason for what you've just described as burnout. If you've been trained to try to help people, and you're not allowed to do it and you have to fight with all kinds of other people out there who are uninterested in the care of the patient, you're going to burnout. You're going to watch people die from things that you know they shouldn't be dying from. And so that's the hope for real reform. Sustainable reform.

Ron Barshop: So let's talk about physician shortages, I have my own solution that I think would take care of the problem tomorrow. What was your solution for the shortages that are looming as the silver tsunami of Medicare enrollees grows every day by 10,000 and the number of doctors is shrinking, because right now a third of our doctors are over 55 and a fourth of them are over 60. So they're phasing out of their careers, they're disillusioned, they're burned out too and they're tired. So this hits in about six to eight years as the shortages get so chronic that we're going to feel like rural areas in our cities. What does your solution do about these shortages?

Joe Jarvis: Well, we've got to use ... Primary care has got to become a much more commonly used model of care delivery in the United States. Currently, if I remember correctly the mix of specialists to primary care doctors is 60% to 40%, and that ought to be reversed. We need to train more primary care physicians and more primary care mid-level providers, so that we have more boots on the ground, if you will, where patients actually have the initial contact with the system. We probably are training enough specialists. We're just not training enough mid-level providers and physicians who are going into primary care. So that's where we're going to have to put the bucks, I think.

Ron Barshop: Well, so here's what happens. As the residency slots right now total of roughly 32,500, they're completely determined not by the number that that hospital can handle. They're determined by the amount that the federal

government gives them for that \$60,000 salary. So every one of our 100,000 residents that are in America today are subsidized by our tax dollars. POTUS decided in this latest budget that he's going to take that out and save over \$600 billion for ... Let the hospitals pay for these people themselves. So the teaching hospitals bill out the typical resident at about \$2.4 million that they're getting for a free ride for their salary.

Ron Barshop: So if POTUS gets his way, and there is no subsidy, there's no more 32,500 slots. There's slots ... My son and his wife are one of the Harvard hospitals and they have probably room for 120 slots but they only take 40 at Brigham Women'. And so why do they not take 80 more that they have room for? Because they don't have paid-for slots. If those go away maybe [inaudible 00:33:36] that. So that might be a total solution.

Joe Jarvis: We have plenty of money in the healthcare system, we're just mispending. With the three and a half trillion that we already have in play, we have enough money to do all these jobs. If we were doing them efficiently, without quality waste or inefficiency waste, if we were doing the right thing for patients, we could do this.

Ron Barshop: So the other solution I have is that 25% of our doctors currently are internationally trained medical grads. So these foreign trained doctors are filling in the rural gaps, they're filling in the internal medicine gaps, they're treating elderly that most won't treat. They're treating the more complicated cases that most doctors don't like to treat.

Ron Barshop: So I believe ... If you look about 15 years ago they were predicting this crash was going to hit this year, and it didn't hit this year because the foreign medical graduates have filled in the gaps. And I think maybe that might be an easy answer too, is to just don't require residency for somebody who's had one in Mexico or India or Pakistan. Just if they can pass a language equivalency, make sure they're under private practice or in a hospital for at least a year, but you don't need three years of residency at slave wages.

Joe Jarvis: Yeah, I think you're right about that. I don't have the command of the facts that you do, but I, just from practical experience as I move about and rub shoulders with people I run into more and more foreign medical graduates. I think that they can get an outstanding education in a lot of different countries around the world. Here we are running up against yet another major problem in the current political climate, which is immigration reform. But, you're right. And of course we're somewhat, in that way, if we take foreign medical graduates and bring them and deploy them in the United States, we're robbing other countries who probably also have needs. But it is a solution for us, yes.

Ron Barshop: Yeah, you're right, we're taking the best and brightest. But I'll tell you what, they're going to make \$20,000 in Mexico or \$20,000 in India and they're going to make, you know, six times that if they're even a pediatrician here, at the lowest level.

Joe Jarvis: I visited Russia a year and a half or so ago, two years ago. Physician salaries are so low there. I'm not even sure that their medical education processes in Russia are anything like what they are in Pakistan and India. [inaudible 00:35:52] Latin America for that matter. So we'd have to be careful about who's qualified and who's not, but there are plenty of qualified people around the world.

Ron Barshop: Well, Jeremy [Corm 00:36:03], my producer who's listening right now, promised me that this was going to be a great interview, [inaudible 00:36:08] you were one of his favorite [inaudible 00:36:09] guests that he's ever interviewed, and you now fit that slot for me too. I think we could go on another half hour but I'm just going to ask you one or two more questions in the interest of your time and [inaudible 00:36:19].

Ron Barshop: The transparency movement seems to be a bright area of hope, and it seems to really be popping up all over. There are transparency bills in front of state congresses that are passing. There's executive orders that look like they have some hope. What do you think about this transparency movement? Is this one of the most important and hopeful things you've seen in the purple movement?

Joe Jarvis: Well, transparency has a role in health system reform. I'm not as enthusiastic as perhaps you are. Let me explain that. First of all, there's been a long history of physicians doing things without really fully discussing it with the patient or getting the patient's input or understanding what the patient's needs and interests might be. If transparency means there's a more open approach, giving the patient more information, letting them make a better informed decision, understanding more about the care that's being delivered for them, I'm all for that. That actually improves the quality of the outcome.

Joe Jarvis: What I kind of bridle against is the idea that if you publish data about price, and about, let's say mortality statistics, and other aspects of care at various clinics or in hospitals, that somehow you're going to create a "consumer", quote unquote, which is actually a patient who makes better decisions in the long run. I don't think that's true. I think that market economics don't work in healthcare, primarily because a patient is not a buyer, is not a shopper, is not a consumer. A patient is somebody who can't make those decisions.

Joe Jarvis: I used to have debates about this with a physician here in Salt Lake City who was an anesthesiologist, somebody who knows all about critical care because that's what he does day in and day out. And he used to take the market model approach and I would answer back and talk about how market forces don't work in healthcare because of this lack of a true buyer who can beware. Well, at one point in time he stopped answering me and he stopped debating me in public over that particular issue, and I had a chance to talk to him privately and I asked him why.

Joe Jarvis: He said that some months before that encounter, he had been shaving in his bathroom and fallen to the floor with a heart attack. And then that experience is what taught him about how patients can't make decisions. What he basically needed lying on the floor in his bathroom was somebody to show up and take care of him, because even though he had all the information that you need about what drugs are right, what IV solutions, etc., etc., he'd handled many people in similar circumstances himself. He couldn't do it, he was the patient. His information wasn't any use to him. He couldn't make any decisions. This is the problem where 80% of the dollars is spent in the United States, it's urgent situations like this where transparency doesn't help the patient at all. They just need to be cared for.

Joe Jarvis: So we need to not believe that market forces through transparency are actually going to enhance the care in our country. That's not how it works.

Ron Barshop: I've got to tell you a story that happened to me yesterday. I've never been to the E.R. before until last night. My dear friend I was supposed to meet with, a group of us were waiting for him, suffered a massive coronary at age 76 a few blocks from our meeting. He was at the bus, and so they found us somehow, and he was injured and after an hour of no oxygen to his brain, to the E.R. last night. So he has no chance of recovering. He had no chance after one or two minutes, but he was an hour.

Ron Barshop: So he's sitting in a room right now, brain dead, the resuscitator is the only thing keeping him going. And I'm guessing they're into this for about \$180 grand right now. The guy has zero means, but I guess he's on Medicare. \$180 grand by now, if he lasts another day, could be maybe \$240 grand for this admission. They admitted basically [inaudible 00:40:21] his brain death. I mean he's a dear friend of mine, you want the best care, but what care do you give ... They've done CAT scans, they've done MRIs, they've done X-rays. Why? Why are they milking this situation for all of these ridiculous tests?

Joe Jarvis: We have allowed the corporate interest to set the automatic response to every such similar situation, do everything possible. That's the automatic response. I've had a personal experience with this. My father passed away

about two years ago. Just before he died, in fact just a few days before he died, my mother asked me to help her place him on hospice, which is a signal to the system that we don't want that kind of invasive care if the need arise. And a day later he had a massive gastrointestinal bleed in his bed at night in the care facility where he was staying, and even though he had just that day told everybody there about the hospice, they still sent him to the emergency room and they were starting the same process of evaluation that you just described for your friend.

Joe Jarvis: I arrived in the E.R. myself about an hour after he did and stopped it, because we already clearly articulated, "he's on hospice, this is inappropriate", and got him moved back, where he died within 24 hours. But our system is set automatically to do this, and we need to change that. But of course to change that means to reduce the profit margins of those who would rather make a sale than actually care for a patient. That's kind of what I mean by [inaudible 00:41:58].

Ron Barshop: So Dr. Joseph Jarvis, how do people find you?

Joe Jarvis: I'm online at DrJosephJarvis.com, that's my website. There's a couple of different aspects to the website but ThePurpleWorld.com is one half of the website and you can look up things about my book. I'm on Twitter at [@drjoeqjarvis](https://twitter.com/drjoeqjarvis), and also on Facebook, Dr. Joe Q Jarvis.

Ron Barshop: Okay, my last question is a stumper and my last guest when I asked him gave me about a three minute long answer, so here's the question. If you could fit onto a banner one message that all Americans should read, what would it be? And while you're thinking about that, I'll tell you, a three minute answer does not fit on a banner flying across America.

Joe Jarvis: "Better, simpler, cheaper care. Single payer."

Ron Barshop: There you go. Love it. All right, we have a lot more to talk about. We'll do this again, I promise you because I didn't even get halfway through my list.

Joe Jarvis: Okay, look forward to it.

Ron Barshop: Thank you.

Joe Jarvis: Bye bye.

Ron Barshop: Thank you for listening. You want to shake things up, there's two things you can do for us. One, go to PrimaryCareCures.com for show notes and links to our guests. Number two, help us spotlight what's working in Primary Care by listening on iTunes or wherever you get your podcasts,

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